

EXHIBIT A

003711

CSI



FAST TRAC®



CSI Financial, Inc.

Pete Parsons
Health Care Services

100 N. Park • Suite 200 • PO Box 182 • Helena, MT 59624
(406) 442-4475 • Fax (406) 442-2524 • 1-800-775-1474

003712

General overview of the CSI Financial Fast Trac Program

Why Your Facility Chose CSI Financial

The CSI Fast Trac program is a complete system to finance receivables for your medical facility. Hospital billing departments have suffered staff reductions the same as every other department. These staff reductions have magnified an already existing problem in medical facilities; your hospital is not equipped to loan and collect money. Add to this the fact that a large majority of hospitals do not charge interest on outstanding debt, and you have a debt surplus problem. These current policies and staff shortages create a very large surplus of debt owed to your hospital by patients. In order to collect this debt, your facility must either use its own billing department (taking staff away from tracking larger, and more collectable, insurance payments), or out source the billing. The most common solution is to use a collection agency to assist in the patient billing.

This "early-out collection" outsourcing still leaves a problem; your hospital could use this money now. If your facility chooses the above "early out" solution, they must wait until the money is collected from the patient to receive payment (usually the payment to you is deeply discounted by the collection agency). This process could take many months. CSI offers a solution to two major problems. First, CSI will handle all subsequent billing of accounts placed on our system (this will allow you to compensate for staff shortages). Second, CSI will immediately pay 92% of the value of an account to your facility. No waiting for the patient to pay, CSI will front the money upon account transfer to our system. This gives your hospital immediate cash flow, and eliminates the need for your facility to work these accounts. This cash can be used to pay off bonds, purchase revenue producing equipment, or build cash reserves.

The Fast Trac Program

CSI's Fast Trac program sorts through your medical facilities self-pay receivable file and converts an approved portion of it to cash in your facilities bank. CSI's Data Center is set up take an electronic file transfer of the accounts from your client facility. You dial into our secure system using a medium such as PC Anywhere. The entire self-pay file is downloaded to our system. Since each facility uses a different format, we initially build a front-end program to sort the fields into the desired format. We then put these accounts through our scoring and approval process using a program developed by Equifax, a national credit reporting agency. CSI will accept all accounts that the patient guarantor has a beacon credit score of 600 or above. If your patient has a job, and does not have any current collection items, he or she will qualify for our program.

We score accounts for two reasons; to ensure the best odds we will receive payment from the patient, and to eliminate unnecessary and expensive charge backs. The combination of electronic credit reporting, account scoring, and file transfer is unique to the industry. This program is simple to administer and uses many of the same components your facility is currently using with vendors and collection agencies.

CSI historically accepts 35-55% of the initial accounts on your books. This percentage is affected by many variables. The age of the accounts, the demographics of the area, unemployment, etc. all affect the approval rate. After visiting your area and discussing some of these variables with your staff, I project the approval percentage for accounts to be right at 50%. Usually we will progress to a 75% acceptance rate on weekly transfers. So regardless of the initial acceptance rate, that rate will improve (usually progressing to 60%-75%) as the old accounts are "cleaned up".

CSI becomes the customer service department for accounts transferred to our system. We handle all the statements and telephone calls. When an account becomes delinquent, CSI will handle collection calls, late notices, and final notices.

CSI sends out the patient notification letters. When an account is transferred, the patient receives:

- Notification from CSI on your hospital letterhead (*see sample*).
- Notification on CSI letterhead (*see sample*).
- The first statement (*see sample*).

The statement is set up in a familiar, credit card type format, with the balance and minimum payment due listed. Patients have the option to pay the account in full within a 25 day grace period interest free, or extended payments at 15% Annual Percentage Rate. A late fee of \$10.00 is charged to accounts that are past due. The minimum payment is \$20.00 or 4% of the outstanding balance whichever is greater.

0037

There is a recourse provision in our program. That is to say that accounts that CSI cannot collect are guaranteed by the hospital. If CSI cannot collect on an account, your hospital is still responsible for payment. However, the hospital will never owe more for a recourse account than CSI originally paid. CSI pays the bank any additional fees. We share the risk with our clients. When your facility refunds the account to the bank, we also refund our 8% fee on that account. This shared risk is another unique aspect of the program and your guarantee that we will work these accounts to the best of our ability.

CSI pays our client hospitals with electronic funds transfer. Clients can expect to have their funds in the bank within three business days after a file transfer.

Dial up capability is how our customer service department is able to answer your patient's questions. A vast majority of the patient calls are questions in reference to insurance billing and date of service. With the ability to "dial in" to your computer system, we can answer the questions while the patient is on the phone.

Major Components

CLIENT FACILITY

Contract

Equifax reporting agreement

Self-pay accounts file
Client internal protocols
Electronic file transfer to CSI

CSI
Scoring and approval procedure
Client notification of approved accounts
Transfer of approved accounts to our system
Initiate payment procedure
Print and send both notification letters

BANK
Provides funding for the program
Sends funds transfer to client

PATIENT
Receives notification letter from client Facility
Receives notification letter from CSI
Receives first statement From CSI
Option to call toll free customer service center with any questions

00371

Patient Inquiries

There will be calls to your facility. A large majority of the patients will simply have questions on your new policy. A large percent of the calls are simply questions about date of service and insurance billing on the account. We will have the capability to dial into your computer system and answer these questions. This should keep the volume of calls at your facility at manageable levels.

Referring calls to CSI

This program is designed to reduce your workload. Should you become overwhelmed with patient calls, advise the patient that CSI is handling the account and give our toll free number. If this is done correctly, the patient will not be upset.

Angry patients

Some patient callers will be upset. The degree of anger will vary from minor irritation to unreasonable. Please instruct these patients that CSI is handling their account and give them our toll free number. Our staff is experienced in "talking patients down". Although it may seem that all your patients are angry, it is actually a very small percent of the whole.

Keeping the Call Volume Manageable

In order to keep patient calls to your facility to a minimum, we will place our toll free customer service number on all correspondence to your patients. However please keep in mind there will be some patient questions we cannot answer. CSI will not discuss confidential medical information with any patient. These calls will be referred to your facility.

Accounts placed on Fast Trac by mistake

Despite the best efforts of everyone involved, some accounts will be placed on our program by mistake. These accounts may have insurance pending, special written arrangements with your facility for extended payments, etc. If you notice an account that should not have been placed on our program, simply call Tami Lamping at 1-800-775-1474 and let her know. If several accounts are involved, send us a fax at 1-406-442-2524.

If during the course of customer service, we identify an account that may not be strictly patient self-pay, we will research that account in your system or call one of your patient representatives to verify.

Requesting accounts back

Reasons to request an account back include insurance pending, patient deceased, medical assistance account, etc. In other words, the account balance is not actually self-pay.

If the account is a self-pay account that the patient is responsible for, there is no reason to request the account back. Accounts cannot be requested back simply because the patient is upset with your new policy or you received payment (payments are to be offset or forwarded). **00371**

To request accounts back, simply call CSI with your account number and the reason for the request. We will cease billing and request the CSI payment back (additional charges may apply, see posting payments). For multiple accounts, fax a list that includes account number, name, and reason for the request.

Accounts returned by CSI**Insurance Pending**

Accounts that are determined to have insurance pending will be returned to you if that is your policy. Some client facilities want us to advise the patient to pay the account in full, or make minimum payments, while awaiting an insurance settlement for a refund. You will determine the policy.

Patient Deceased

If the patient is deceased, the account will be returned to you to pursue estate settlements, life insurance settlements, or write off, depending on your policy.

*Process
for f.*

Uncorrectable Accounts

Patients that fail to pay CSI will be returned to your facility as recourse accounts. We will make every attempt to have the patient comply with our program including offering reduced payment options to patients in financial distress. If after 90 days and numerous attempts by telephone and mail, we have not received payment on the account, we will recourse (send back) the account. We inform the patient the account will be sent back to the hospital as a collection item. We do not tell the patient we are going to send the account to a collection agency. Once you have the account back, it is your decision what to do with it. Currently our recourse average is 4.8% of accounts placed on our system. This percentage does not include accounts requested back by the client, or accounts returned by CSI that are not true self-pay.

Payments

Payments: OFFSET

CSI payments that patients send to your facility are to be noted on a patient payment log. Post the payment in your system on the patient's account. *Keep in mind you may need to show a credit balance on the account. This does not entitle the patient to a refund.* Your patient will owe CSI 100% of the balance even though your system shows that account paid. That account was already paid for by CSI at a rate of 92% with 8% written off as a collection fee. There should be something in your system to reflect this payment (new financial class).

Fax the patient payment log to CSI prior to the next file transfer. We will deduct, or offset, that amount the patient paid you from your next CSI payment.

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Payments: FORWARD

Some CSI clients choose to forward payments made at their facility. If you choose to do this, do not accept payments on CSI accounts at your facility. Inform the patient to mail their payment to CSI using the supplied envelope. Payments that patients mail to your facility must be forwarded to CSI in a timely manner. Otherwise the patient may be charged a late fee and finance charges.

Charges

Returned accounts

There will be accounts that your facility will place on our program by mistake (insurance pending, Medicaid accounts, etc). This is unavoidable. Most of these accounts will be immediately identified through customer contact. If discovered (by either your staff or ours), the account will be returned to the client. If the account is discovered, transferred, and CSI is reimbursed the original 92% within the 25-day grace period, there will be no additional charge. After the grace period however, we will retain our fee and the bank will charge the interest to your facility. This charge will also apply on accounts that are transferred with inaccurate billing information that prevents our locating the patient.

CSI Staff

Controller: Cindy Dorr

Cindy, and her staff, is responsible for posting all payments, account adjustments, Client account adjustments and reporting to our underwriting bank. All correspondence regarding payments should be addressed to her.

Director of Business Services: Rob Logsdon

Rob, and his staff, controls the actual file transfer process. He is responsible for taking your file and scoring/approving the accounts. He will send you notification of the number and amount of the accounts accepted for our program. Rob will also assist you in setting up the "dial-up capability" to allow us to view your patient's account information. Technical questions regarding the account file transfer should be addressed to Rob.

Customer Service Manager: John Cameron

John oversees the personnel in the two divisions of our customer service department. Please address all customer service correspondence to him.

Customer Service Supervisor: Lori Cox

Lori can assist you in all areas of customer service. She manages the customer service staff.

Client Services: Tami Lamping

Tami uses our "dial-up" ability to look in your computer system. This provides CSI with the ability research customer questions and resolve account issues. Occasionally Tami, or someone in her department, will need to contact your staff for assistance.

CSI FINANCIAL

100 North Park
Suite 200

Helena, MT 59601

Or

P.O. Box 182
Helena, MT 59624

003718

1-800-775-1474
(406) 442-2524 Fax

CSIFin@AOL.COM E-mail

05/04/99

Boulder Community Hospital



BOULDER DOE
PO BOX 9130
BOULDER, CO 80301

003719

Balance: \$1234.00 Account #: 123456789

Thank you for choosing Boulder Community Hospital as your health care provider. We are constantly striving to improve and maintain the high quality of service that you have come to expect. In order for us to contain the rising costs involved with servicing and billing our patients, we are pleased to announce that we have recently retained the services of CSI Financial and the First National Bank of Montana.

CSI Financial will handle all of the future billing and customer service questions on the self pay and balance after insurance portion of our qualified accounts. CSI is a receivable management company and should not be confused with a collection agency. The First National Bank will fund the program and handle all payments.

Your account with us will be assigned to CSI and the Bank within the next couple of days. You should shortly receive a letter and a statement from CSI that confirms that the account transfer has taken place. The letter will also explain your payment options and requirements. Future hospital visits can be combined with your CSI account so that you only have to make one monthly payment on your account.

Sincerely,

Business Office

Mapleton Center P.O. Box 9130 311 Mapleton Avenue Boulder, CO 80301-9130 303-443-0230

VHA Member of Voluntary Hospitals of America Inc.



CSI Financial, Inc.

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This letter is to advise you that your local health care provider has assigned your account with them to us. CSI Financial handles extended monthly billing for various health care providers across the country. You will receive your first statement from us in a separate mailing. When you receive your statement please note several important points:

First, is the fact that all payments should be mailed to the First National Bank of Montana

CSI Financial will answer all of your questions concerning your monthly balance. A toll free number has been provided for your convenience. (1-800-775-1474)

CSI requires a minimum monthly payment of 4% of the unpaid balance each month.

A finance charge of 1.25% is added to each account that is not paid in full by the due date. The annual percentage rate is 15%.

CSI Financial is a receivable management company, not a collection agency.

Sincerely,
CSI Financial Inc.

100 N. Park Ave. • P.O. Box 182 • Helena, MT 59624 • (406) 442-4475 • Fax (406) 442-2524 • 1-800-775-1474

CSI FINANCIAL INC.

100 N. PARK ST. • P.O. BOX 182 • HELENA, MT 59624-0182 800-775-1474 • 406-442-4475

MINIMUM PAYMENT DUE	PAST DUE AMOUNT	PAYMENT DUE DATE	AMOUNT PAID	ACCOUNT NUMBER	PLEASE WRITE IN MONTTH/PAYMENT NUMBER
20.00	.00	2/11/00	194.00	1-00543-010	\$.

**PLEASE DETACH AND ENCLOSE
TOP PORTION WITH PAYMENT**

JOHN SMITH
123 ANY STREET
CARMICHAELS PA 15320-0082

003721

JOHN SMITH

00100643010

ACCOUNT NUMBER	CREDIT LIMIT	MINIMUM PAYMENT	EXPIRATION DATE	PURCHASE DATE	PAYMENT DUE DATE	MINIMUM PAYMENT DUE
1-00643-010			00	1/21/00	3/11/00	20.00

GREENE COUNTY MEMORIAL

1-00643-010			GREENE COUNTY MEMORIAL	
	00020002 #20342052			
PREVIOUS BALANCE	PAYOUTS	CREDITS	DEBITS	NEW BALANCE
.00	.00	.00	194.00	.00
				194.00

Use enclosed envelope and make payment to:

FIRST NATIONAL BANK
LOAN DEPARTMENT
P.O. BOX 1588
LIBBY, MT 59923-1588

Send inquiries to: CSI FINANCIAL • P.O. BOX 182, HELENA, MT 59624

JANUARY 21, 2000

If the new balance is paid in full by the Payment Due Date, no FINANCE CHARGE will be imposed on those amounts remaining to be paid under the current Billing cycle. Prepaid."

EXHIBIT B

CSI Financial, Inc.

Doug Smith
VP Financial Services
Mercy Health System
1 West Elm St
Conshohocken, PA 19428

Dear Doug,

As per our telephone conversation today, I have enclosed the additional information you requested on CSI's Fast Trac program. This program will greatly assist your facility in eliminating problems you are currently experiencing with patient self-pay accounts. Please keep in mind, we are not a collection agency. Fast Trac will integrate with your existing billing procedures and greatly reduce losses you are experiencing now. This program will give you 92% of the entire account within three (3) days for all self-pay patients that qualify (usually 60-75%). This includes patients that have a balance after their insurance pays. We do this on a weekly or monthly basis depending on volume. The process is electronic and simple.

Also included in the packet is information on our older, application based, program the Patient Plan. The Patient Plan requires the patient to fill out and return an application. We have found through experience this program is effective but the Fast Trac electronic program is much more efficient by eliminating the need for a patient application. We are currently phasing out the application program. With CSI's program you retain full control. You choose which accounts to place on the program, and at what time.

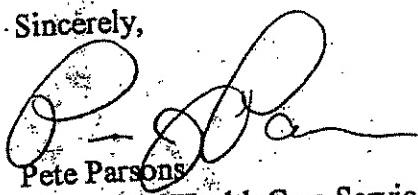
Doug, to get an idea of the positive impact this program can have on your facility, multiply the total of your patient self-pay accounts (*all* accounts that there is a balance that the patient is responsible for) by .5 (or 50%). We can have (at least) that amount in your bank account within three (3) days of the download to our system. If your figure was correct (9 million), we can have at least 4.5million in your account within days. Usually it is much more (60-75%). I am unsure how many accounts will be affected by the lack of social security numbers. We can still pull a beacon score/report based on other information (name, address, etc) but it must be current.

003227

Doug Smith
VP Financial Services
Mercy Health System

Please give me a call after you have evaluated the packet so we can arrange an appointment to discuss the program in greater detail. Otherwise, feel free to call with any questions you may have (1-800-775-1474).

Sincerely,

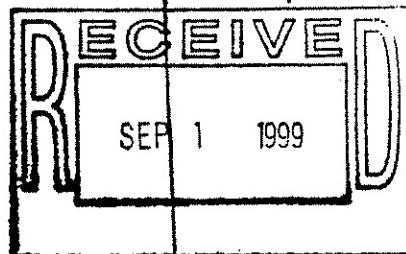


Pete Parsons
Director of Health Care Services
www.CSIFinancial.com

003228



CSI Financial, Inc.



Date: 09/01/99
Time: 8:30 AM (MST)

Fax Number: 1-406-442-2524

Phone Number: 1-406-442-4475
1-800-775-1474

Please deliver the following 5 pages, including this page, to:

Name: Dave Smith, VP FINANCIAL SERVICES

Fax Number: 610-567-6611

From: Pete Parsons

Message: INCLUDED IS SOME ADDITIONAL INFORMATION ON

OUR PROGRAM. I HOPE CSI CAN ASSIST YOUR FACILITY

IN THIS OUTSOURCING OF SURF-PAY / CO-PAY A/R'S.

THANKS DAVE

PS
63 large PACKET on its way. SHOULD HAVE
BY C.O.D. WED.

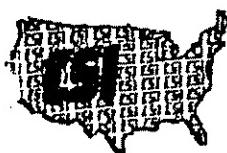
003229

HANDLING INSTRUCTIONS:

High Priority (Deliver Immediately)

Normal Processing: ✓

If there is a problem with this transmission, please dial
800-775-1474 or 406-442-4475 and ask for Pete

*CSI Financial, Inc.*

09/01/99
Doug Smith
VP Financial Services
Mercy Health System
1 West Elm St
Conshohocken, PA 19428

603230

Dear Doug,

The following is a copy of my form letter for your records.

Adding CSI's Fast Track program to your current self-pay receivable policy will dramatically improve your cash flow and reduce losses. To get an idea of the positive impact this program can have on your facility, multiply the total of your patient self-pay accounts (*all* accounts that there is a balance that the patient is responsible for) by .5 (or 50%). We can have (at least) that amount in your bank account within three (3) days of the download to our system. Usually the amount is much higher (60-75%). Fifty hospitals and health systems in twelve states have already integrated Fast Track into their programs. I hope you will take a brief minute to read this letter and possibly share it with others that have an interest in your self-pay accounts at Mercy Health System.

We are not a collection agency. Our program was developed, at the request of several western hospitals, to improve current payment policy and as an alternative to collections. These hospitals were tired of writing off such large amounts of money through extended billing and collections. By financing the self-pay portion (including the balance on an insured visit after the insurance company pays) of the receivables for the patient, CSI reduces loss. You receive your payment today, and the patient has time to deal with these unexpected medical expenses. The entire process is completed electronically with no need for a patient application. CSI can download all your self-pay accounts, score, and approve all qualified accounts (typically up to 75%) in just a few minutes. Our bank, within three (3) working days, will electronically transfer the funds to your account. We do this process on a weekly or monthly basis, depending on your volume. We presently do business in twelve western states with over fifty institutions. Our hospital and health system clients have placed many millions of dollars on our Program.

Our Fast Trac program is the result of eight years of continued refinement. By including recommendations from several hospitals during the initial development of the Fast Trac, we have created a program that will give Mercy Health System a competitive edge. Choosing this program will assist your facility by converting self-pay accounts on the books into cash. There will also be a large workload reduction in your billing department. This gives your staff more time to track insurance payments and work problem accounts identified by our scoring and approval procedure. ~~For each payment received on the patient account, a copy of the payment slip is sent to the hospital.~~ This

09/01/99
Doug Smith
VP Financial Services
Mercy Health System

003231

program will typically reduce your self-pay accounts by up to 75%.

Accounts that are not approved for Fast Trac (patient deceased, incorrect social security number, extreme credit problems) would continue to be handled as you do now. Accounts that are approved and transferred but later are deemed uncollectable after 90 days and many billing attempts (personal contact and reduced payments options included) are returned under the recourse provision. These accounts will include full documentation of our billing attempts and are ready to outsource to collections. ~~Current average recourse percentage under Fast Trac program is less than four percent (4%).~~ You will not owe more than CSI paid for any account. We take responsibility for any extra expense so you can be sure recourse is our last resort. The recourse provision gives CSI the ability to accept accounts that no other institution would even consider. Establishing a five percent (5%) reserve fund from CSI payments to your facility would more than cover any possible recourse accounts.

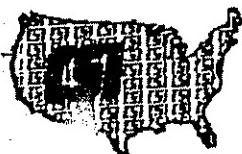
Doug, to see how CSI can assist your facility, determine at what point it becomes profitable to outsource a self-pay account at a cost of eight percent. Then simply integrate our Fast Trac program at that point in your current policy. Although many of our hospital clients are integrating a day one program (accounts are sent to CSI the same day it is determined there is a self-pay portion), others have chosen different options. Your choices will depend on your current policy and needs. Once on the program, you retain full control of which accounts to send, if any, to CSI.

I would like to schedule a meeting to go over our program with you in more detail. As I stated previously, we already assist over fifty hospital and health system clients. I am sure Fast Trac can also benefit your facility.

Please take a minute to call one of the enclosed references. If you would like more information, call me at 1-800-775-1474.

Sincerely,


Pete Parsons
Health Care Services Director
www.CSIFinancial.com



CSI Financial, Inc.

REFERENCES FOR CSI FINANCIAL

003232

1. Baptist St. Anthony's Hospital
200 NW 7th St.
Amarillo, TX 79176

Contact: Stephanie Gregory
806-378-5816

2. Tucson Medical Center
5301 Grant Rd
Tucson, AZ 85712

Contact: Jess Martinez
520-324-5922

3. Boulder Community Hospital
P.O. Box 9130
Boulder, CO

Contact: Hank Rem
303-544-5750

4. Central MT Medical Ctr.
408 Wendall Ave.
Lewistown, MT 59457

Contact: Grace Ruggles
406-538-6236

5. St. Joseph's Regional MC
415 Sixth St.
Lewiston, ID 83501

Contact: Susan Colburn
208-799-5200

6. Bryan Memorial Hospital
1600 S 48th St.
Lincoln, NE 68506

Contact: Susan Johnson
402-483-8458

7. St. Vincent's Hospital
1233 N. 30th
Billings, MT 59107

Contact: Kathy Schmuck
406-657-7828

8. All Saints Health Systems
P.O. Box 31
Ft. Worth, TX 76101

Contact: Jeanne Lindsey
817-922-2922

9. Altru Hospital
1200 S Columbia Rd
Grand Forks, ND 58206

Contact: Jim Novak
701-780-5221

Hank is from PA and
worked in Pitt for a large
hospital. He is familiar
with our fast track proce-
and with PA demographic
call him to see how a
client feels about
the program.

PS

SEP. -01' 99 (WED) 07:47

Case 2:02-cv-03608-JKG Document 61-2 Filed 03/01/2005 Page 20 of 48

TEL:4064422524

P. 004

CSI FINANCIAL
1 FINANCIAL LN
100 N. PARK ST. - P.O. BOX 182
HELENA, MONTANA 59624-0875
800-775-1474 <> 406-442-4475

MINIMUM PAYMENT DUE	PAST DUE AMOUNT	PAYMENT DUE DATE	NEW BALANCE	ACCOUNT NUMBER	PLEASE WRITE IN AMOUNT OF PAYMENT ENCLOSED
37.87	.00	6/06/97	946.83	1-00080-096	5

PLEASE DETACH AND ENCLOSE TOP PORTION WITH PAYMENT

SAMPLE
PATIENT
STATEMENT

1-00080-09-6 CS#01
JOHN DOE
1639 STINER AVE
COEUR D'ALENE ID 83814

003233

Telephone No. 406/442-4475 800/775-1474

TOLL FREE # TO CALL CSI. (NOT YOU)
WE WANT TO REDUCE YOUR RATE

ACCOUNT NUMBER	CREDIT LIMIT	AVAILABLE CREDIT	DAYS IN BILLING CYCLE	BILLING CYCLE END DATE	PAYMENT DUE DATE	MINIMUM PAYMENT DUE
-00080-096			30	5/16/97	6/06/97	37.87
DATE OF TRANS POST	CLIENT'S NAME CHARGES PAYMENTS AND CREDITS SINCE LAST STATEMENT					AMOUNT
09160916 #J6265227	ST JOSEPH REGIONAL MED CTR					
	PATIENT CAN COMBINE MULTIPLE ACCTS. FROM MULTIPLE FACILITIES					
PREVIOUS BALANCE	PAYMENTS	CREDITS	NEW CHARGE	DEBIT ADJUSTMENTS	NEW BALANCE	
975.30	40.00	.00	.00	.00	11.53	946.83
USE ENCLOSED ENVELOPE AND MAKE PAYMENT TO: FIRST NATIONAL BANK LOAN DEPARTMENT P.O. BOX 1588 LIBBY, MT. 59923-1588						
Send inquiries to: CSI FINANCIAL PO BOX 182 HELENA MT 59624						

MAY 22, 1997

MONTHLY PERIODIC RATES	UNDER RATE CHANGE POINT	OVER RATE CHANGE POINT	Total Current Billing Cycle Payments		Total Estimated Monthly Minimum Billing Cycle Payments	
	PURCHASES	AT WHICH RATES CHANGE	PURCHASES	.00	0.00	
	15.00%	NA	NA			
	1.25%		NA			

If the New Balance is paid in full by the Payment Due Date no FINANCE CHARGE will be imposed on these purchases shown on this statement. Current Billing Cycle Purchases

CS

NOTICE: See reverse side for important information.

Letter to Client
05/04/99

SAMPLE NOTIFICATION LETTER -
(GOES ON YOUR LETTER-HEAD)

BOULDER DOE
PO BOX 9130
BOULDER, CO 80301

003234

Balance: \$1234.00 Account #: 123456789

Thank you for choosing Boulder Community Hospital as your health care provider. We are constantly striving to improve and maintain the high quality of service that you have come to expect. In order for us to contain the rising costs involved with servicing and billing for our patients, we are pleased to announce that we have recently retained the services of CSI Financial and the First National Bank of Montana.

CSI Financial will handle all of the future billing and customer service questions on the self pay and balance after insurance portion of our qualified accounts. CSI is a receivable management company and should not be confused with a collection agency. The First National Bank will fund the program and handle all payments.

Your account with us will be assigned to CSI and the Bank within the next couple of days. You should shortly receive a letter and a statement from CSI that confirms that the account transfer has taken place. The letter will also explain your payment options and requirements. Future hospital visits can be combined with your CSI account so that you only have to make one monthly payment on your account.

Sincerely,

Business Office

THE CSI FINANCIAL PROGRAMS

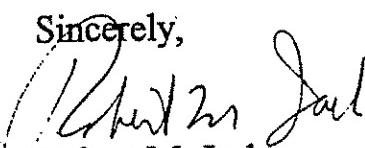
CSI Financial has been in the patient account financing and receivable management business for a number of years. We are presently financing patient accounts for hospitals in twelve states. Our programs have continued to change and evolve into what we consider to be the best patient financing program on the market today.

Our new FAST TRAC program is a completely electronic process that allows health care providers to place large numbers of patient self pay accounts on our program. We do not require applications or other forms. We work with your staff to customize the notification process that best meets the requirements of your facility.

It is our belief that the CSI programs meet the needs of your patients as well as providing you with the benefits and savings that go with our programs. We have attempted to present our programs in a step by step basis that should help you in evaluating our program as well as local bank programs.

Thank you for taking the time to review this material. Please feel free to call us at 1-800-775-1474 with any questions you may have.

Sincerely,


Robert M. Jaeb
President

003235

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GOALS AND OBJECTIVES

Based on the experience that we have gained from dealing with Health Care Providers in twelve states, we have endeavored to anticipate the goals and objectives that Health Care Providers are researching in the area of cost containment. Likewise, we have also attempted to anticipate any questions you may have.

1. COST CONTAINMENT AND INCREASED CASH FLOW

A. Most facilities can identify internal areas where cost savings can be achieved.

The question that you have to ask is whether the cuts and reductions will effect your cash flow in a negative manner. Unless you utilize an outside source you may experience problems in this area.

B. Increase our cash flow by utilizing an outside organization.

(1) What will the effect be on our cash ?

2. WHAT WILL BE THE RESPONSE FROM OUR PATIENTS IF WE USE AN OUTSIDE BILLING AND FUNDING SOURCE ?

3. WHAT IS THE COMPETITION DOING ?

4. WHAT ORGANIZATIONS ARE AVAILABLE TO US AND WHAT ARE THE DIFFERENT PROGRAMS THAT THEY OFFER ?

A. Will we endeavor to place all of our accounts on a particular program ?

B. Why should we qualify or score accounts ?

5. CAN FUTURE VISITS BE ADDED TO THE ACCOUNT ?

6. HOW WILL THE RE COURSE BE HANDLED ?

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COST CONTAINMENT AND INCREASED CASH FLOW

The utilization of an outside billing and funding source can have a major impact on your cash flow and cost reduction or containment procedures. We have asked Mike Lopach from the accounting firm of Galusha and Higgins to do a cost analysis of the savings you can expect by utilizing our program. Please refer to Mr. Lopach's letter for a complete breakdown of the estimated savings. As you can see, you will experience a dramatic reduction in postage and other billing related costs. You will also experience a reduction in labor costs.

- You can also increase your cash flow by freeing up your staff's time. Since the majority of your accounts can be transferred onto our financing program, your existing staff will have the time to concentrate on large or problem accounts.
- Problem accounts will quickly be identified. If the problem cannot be resolved, the account can be written off to charity or referred to your local collection agency.
- Your staff will also have the time to trace insurance company payments and to provide your patients with additional attention if the need arises.
- Our program also allows you to use your cash immediately. You may want to purchase other revenue producing equipment or simply invest the money until you have a future need for the cash. You may want to pay off bank notes or bonds.

We believe that our program will have a major effect on profitability and the year end financial statements.

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**GALUSHA
HIGGINS &
GALUSHA**

A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS
POST OFFICE BOX 1699
ARCADE BUILDING
111 NORTH LAST CHANCE GULCH
HELENA, MONTANA 59264
TELEPHONE 406/442-5520
FAX 406/443-1017

October 30, 1997

File: 41.6335
12/3/97

Mr. Robert Jaeb, President
CSI Financial, Inc.
P.O. Box 182
Helena, Montana 59624

Dear Bob:

We have recently been discussing your company's business whereby you, in effect, purchase accounts receivable from a health care provider at a discount or 8%. Our discussions have focused upon the 8% discount and whether it is reasonable for an organization to accept 8% less in order to receive cash today.

In attempting to show the advantage of accepting the discounted payment, we have agreed to use the following assumptions:

1. The cost of money to the organization is 9.25%.
2. We will use receivables with a face value of \$1,000,000 which your company would purchase for \$920,000.
3. The average balance of these receivables would be \$500, so that the \$1,000,000 would include approximately 2,000 individual accounts.
4. The collection cycle for the \$1,000,000 would be a two and one-half year period, with payments being made evenly over that time frame.
5. It would take one collection department employee at a wage of \$8.50 per hour, to work these accounts.
6. The cost of statements and postage is \$2.00 per statement per month.

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Mr. Robert Jaeb, President
CSI Financial, Inc.
October 30, 1997

The savings to an organization which could be generated by taking advantage of your program can be estimated as follows:

Cost of money	$\$920,000 \times 9.25\% \times 2.5 \text{ years} \times 50\%$	
	(receivable would be collected ratably over the two and one-half year period)	\$106,375
Cost of statements eliminated - 2,000 statements		
X \$2.00 X 75% (some accounts would be paid off prior to three years) X 30 months		90,000
Eliminate one collection position 2,080 hours		
X 2.5 years X \$8.50 per hour	\$44,200	
Benefits at 15%	<u>6,630</u>	<u>50,830</u>
Total savings (over 2.5 years)	247,205	
Less initial discount	<u>80,000</u>	
Net savings realized (over 2.5 years)	<u><u>\$167,205</u></u>	

This computation does not consider other savings which would be realized, such as reduced management time, reduced demand upon computer resources, smaller collection fees, etc.

We realize that this analysis is only as good as the assumptions which you and I have made. However, it should provide you with a beginning point for meaningful dialogue with your potential customers.

Please contact me if we can be of further assistance.

Sincerely,

Nike Spach

MIKE LOPACH
MAL/ils.

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PATIENT RESPONSE

It has been our experience that the vast majority of your patients will respond favorably to the CSI Program. They welcome the chance to make extended monthly payments as well as combining their health care bills. There are a number of things that your staff can do to make the transition easier for your patients.

- Your credit policy should be revised to reflect the fact that all of your qualified accounts will be turned over to CSI after a specified time frame.
- All of your patients should be notified of your credit policy requirements in writing. We can assist you with this notification as well as provide you with sample forms that other providers are using.
- CSI will call your qualified accounts and explain the options available to your patients if you so desire. We also review with them the payment requirements expected of them and ascertain what time of the month that they want to receive their statements.
- You want to emphasize the fact that you are also concerned about their financial health and that the CSI program gives them the time they need to pay their bills.
- Your patients will like the fact that they can add on new charges or combine their medical bills from several different providers.

In general your patients want to pay their medical bills. However medical expenses are not a planned expense and in most cases they just need some extra time to pay their account. Our program gives them this time.

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WHAT IS THE COMPETITION DOING ?

It is interesting that providers do not want to be the first organization in an area to adopt our program because their local competition might not use the program. If our program can help you cut costs, increase your cash flow and provide an additional service to patients, you will have the advantage over your competition.

It is quite possible that a number of your patients are already taking advantage of our plan at another facility. CSI Financial handles approximately 50 hospitals and clinics in twelve western states. Our customers range from small community hospitals to large University Hospitals. We have a national contract with Lutheran Health Services that covers all of their hospitals. We deal with both Religious and private facilities. We are also in the discussion stage with several very large hospitals in other states , for example the Health One group in Colorado. Please refer to our reference list for a sampling of the hospitals on our program in the various states.

The main question to ask yourself is whether you want to improve your cash flow as well as the efficiency of your organization. Those facilities that control their expenses and maximize their cash can take advantage of opportunities that other facilities are not in position to offer.

You may also want us to offer our program to groups of doctors that utilize your facilities. Our program may help you establish closer ties with such groups. This maybe all of the competitive edge that you need.

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CSI Financial, Inc.



REFERENCES FOR CSI FINANCIAL

1. Baptist St. Anthony's Hospital
200 NW 7th St.
Amarillo, TX 79176

Contact: Stephanie Gregory
806-378-5816

2. Tucson Medical Center
5301 Grant Rd
Tucson, AZ 85712

Contact: Jess Martinez
520-324-5922

3. Boulder Community Hospital
P.O. Box 9130
Boulder, CO

Contact: Hank Rem
303-544-5750

4. Central MT Medical Ctr.
408 Wendall Ave.
Lewistown, MT 59457

Contact: Grace Ruggles
406-538-6236

5. St. Joseph's Regional MC
415 Sixth St.
Lewiston, ID 83501

Contact: Susan Colburn
208-799-5200

6. Bryan Memorial Hospital
1600 S 48th St.
Lincoln, NE 68506

Contact: Susan Johnson
402-483-8458

7. St. Vincent's Hospital
1233 N. 30th
Billings, MT 59107

Contact: Kathy Schmoeck
406-657-7828

8. All Saints Health Systems
P.O. Box 31
Ft. Worth, TX 76101

Contact: Jeanne Lindsey
817-922-2922

9. Altru Hospital
1200 S Columbia Rd
Grand Forks, ND 58206

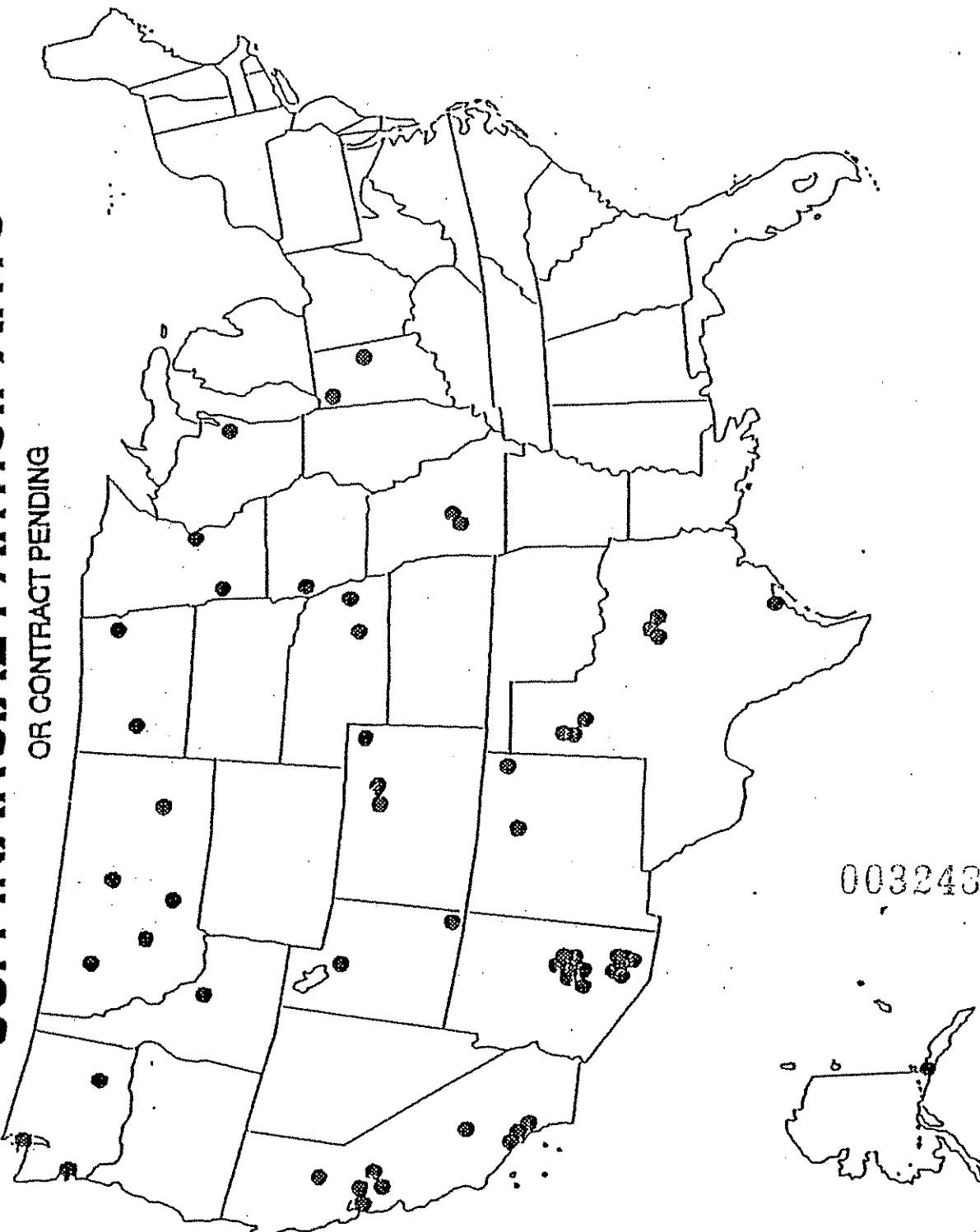
Contact: Jim Novak
701-780-5221

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CSI FINANCIAL PARTICIPANTS

OR CONTRACT PENDING



Notes

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WHY SHOULD WE USE CSI FINANCIAL ?

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Part of your decision making process will be to choose a company or bank that you want to finance your accounts. You will undoubtedly receive some pressure to use a local bank. However most local banks do not have a program to handle this type of financing. Banks in general are looking to acquire loans that have notes with fixed monthly payments. They are also not prepared to help you design your system and to handle patient notification.

Here is a list of areas that you should consider:

- Does the company or bank have an existing medical financing program in place or do they have to design a program ?
- What hospitals or clinics utilize their program ?
- Is the program a closed end loan that requires a fixed monthly payment or is it a revolving finance program like CSI's ? You will want to give your patients the ability to add future visits to their loan account without redoing the loan.
- Will the patient be charged a loan setup fee ?
- Can the accounts from several different providers be combined into one simple account for the patient ?
- Do they have the ability to handle the qualification process for thousands of accounts in a short time period ?
- Can the entire process be done electronically ?
- What is their recourse percentage for accounts that you are required to repurchase ?
- Will you be charged interest on accounts that are returned to you ?

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- Could you end up owing the bank more money on a recoursed account than the original transaction involved ?
- What are their procedures on delinquent accounts ?
- Will they give you a detailed activity report on accounts that are recoursed back to you ?
- Do they have experience or interest in helping your staff in designing your internal credit policies ?
- Do they call each account if possible and advise them of the account placement on their program ?
- Do they have the ability to place the account in a billing cycle that meets the needs of your patients ?
- How will customer service questions be addressed ?
- What are their minimum monthly payment requirements ?
- What is the minimum balance the bank will accept ?

CSI has a proven track record that demonstrates our ability to meet your financing needs. We also meet the needs of your patients. Since this is our only business, we are very careful to maintain the goodwill of both you our customer, as well as your patients.

What is the CSI approach to these areas:

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- CSI has a proven track record in the field of financing medical receivables. Since this is our only business, we work hard to make sure that the needs of our customers and their patients are met. We can provide you with flexibility rather than the rigidity of banks.
- CSI presently has approximately 50 hospitals and clinics utilizing our program in twelve states.
- The CSI Program is a revolving loan program similar in nature to a bank card or a department store charge card.
- CSI does not charge a loan origination fee or any set up fee to your patients.
- The CSI Program allows your patients to combine charges from future visits at your facility as well as other providers.
- We have a proven track record that demonstrates that we can handle many thousands of accounts in the qualification process in a very short period of time.
- CSI can offer you a completely electronic program from start to finish.
- At the present time our recourse percentage for those providers that use the FAST TRAC program is approximately 2%.
- CSI is responsible for all of the interest and late charges that exceed the original amount of each account that has been placed on our program.
- The CSI staff endeavors to work with the plan participants as much as possible to keep the accounts current. We rely on the use of telephone calls rather than letters. We are very cognizant of the rules governing telephone collection calls. We do not use any hard collection techniques. We do not want to upset your patients over any calls or letters.

- If an account is recouersed back to you, we will give you a copy of our complete collection activity record.
- Our staff has the ability to help you design your credit policy.
- CSI endeavors to call all of your patients that will be placed on our program to make sure that they understand the program. We also double check with them to make sure that they can make the minimum monthly payment as well as what time of the month they will want their statement.
- CSI endeavors to handle all questions regarding the monthly billing of accounts. If the patient has a question related to the provider that we cannot answer, we will either call you and get the answer or we will refer them to you.
- The minimum monthly payment requirement is 4% of the unpaid balance each month or \$20.00 depending on which is greater.. For example we would expect a minimum payment of \$40.00 on a account with a \$1,000.00 balance. If necessary, we can reduce the minimum to 3% of the outstanding balance. We also have the ability to set fixed monthly payments if your patient so desires.
- CSI requires a minimum balance of \$200.00 to open an account on our program. We do not have a minimum balance on additional charges to the account.

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Notes

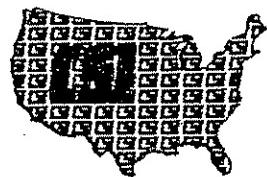
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PP Patient Plan

A patient
financing program
for
healthcare providers

CSI





The CSI Financial Programs

CSI'S PATIENT PLAN[®] finances accounts receivable for the medical community. The program impacts your bottom line by cutting administrative costs and improving cash flow.

Within three working days, participating medical facilities get 92% of the outstanding balance on qualified patient accounts. CSI handles all of the billing, monitoring and collection.

AND IT'S ALL ELECTRONIC — there's no effort on your part. Just e-mail your data or download it directly into CSI's computer systems. CSI can handle all the point scoring, communication and servicing of your self-pay accounts.

CSI Financial has managed patient account financing and receivables for hospitals since 1992. Today we finance patient accounts for medical facilities in 12 states. Our programs have developed into the best patient financing program on the market.

OUR FAST TRAC[®] SYSTEM is a completely electronic process that allows health care providers to place large numbers of patient self-pay accounts on our program. We do not require applications or other forms. We customize the notification process to meet the needs of your facility.

CSI programs meet the needs of your patients while they provide you with benefits and savings. A full explanation of how the program works is available in a handy notebook.

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SERVICE SEPARATES CSI Financial from our competitors. Our sales, training, conversion and management staff exist only to help you. Just call us at (800) 775-1474 or drop an e-mail message to us at csifin@aol.com and we'll make sure you get a full explanation of our program.



CSI FINANCIAL FAST TRAC © PROGRAM

The new CSI FINANCIAL FAST TRAC © program has been designed to increase the number of accounts that can be placed on our financing program. This program does not require an application from your patient. Our requirements are simple:

- QUALIFYING SCORE OF 640 OR HIGHER ON CREDIT REPORT
- EMPLOYMENT FOR GRIMM IMPLEMENTING POLICE
- STATEMENT BALANCE
- PATIENT DEMOGRAPHIC INFORMATION
- NOTIFICATION TO YOUR PATIENTS OF YOUR CREDIT POLICY

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The implementation of this program will dramatically reduce your outstanding account balances and increase your cash. Your staff will be able to concentrate their efforts to specific accounts. Plus your monthly statement related expenses will be reduced.

Patients will find that your new credit policy will offer them affordable monthly payments that ease the financial strain unexpected medical expenses can cause.

Please give us a call at 1-800-775-1474 for more information on our program as well as a list of references.

WHAT SPECIAL SERVICES DOES CSI PERFORM TO EARN ITS FEE ?

The following is a list of the services that CSI Financial performs for its clients:

1. We will request a A/R run from you on those accounts that your patient is responsible for the balance or remaining balance.
 - A. We will pull credit reports on each one of these accounts on your behalf.
 - B. Each account that meets our criteria will be sent a letter that you have pre-approved.
2. One of our staff members will be on site to train your staff on the presentation of our program to your patients. This will include but is not limited to your patient accounts staff, financial counselors and admit staff.
3. We will attempt to call everyone of your patients that has received the letter. We will ascertain which method of payment that they have chosen. Please refer to the sample letter in your packet.
 - A. We will also have your staff make several calls so that they become accustomed to the 603253 program.
 - B. We will provide your staff with work sheets on each one of your accounts. It will indicate the results of our telephone calls.
 - C. You are not charged a fee for any account that pays you in full or selects your internal program.
4. CSI Financial will do all of the monthly billing, on behalf of the bank, of the accounts placed on our program.
5. We will handle all of the customers service questions and problems.
6. We also will handle those accounts that become delinquent in paying the BANK. Please keep in mind that the recourse agreement also has an effect on us since we are responsible for 8% of the balance..
 - (1) We will make the collection calls on accounts when they become delinquent.
 - (2) We send out all notices.
 - (3) If possible, all final letters on delinquent accounts shall state that the account will be sent to a collection agency.

7. We will keep you informed of any enhancements to our program as well as periodically help train your new staff if necessary.
8. CSI and its BANK are responsible for all costs associated with the monthly billing and collection activities on the accounts they purchase.
9. You will be responsible for the costs of credit reports, hospital stationary and envelopes, as well as postage used for the qualifying letters.

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Features of our Program

High Acceptance Levels

A finance program is only as good as its acceptance rating. In some regions, 75-80% of patients looking for extended payments have been accepted for financing through the CSI Patient Plan. This patient-friendly program will notify your customers of billing options, monitor the status of your self-pay accounts and move them onto the CSI program at specified time intervals.

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Immediate Qualification

CSI Financial provides you with software and training so you can qualify patients *in-house within 30 seconds*. We use the Beacon scoring system by Equifax which allows you to qualify patients for financing on the spot. Patients do not need to provide references or financial disclosure. If a patient meets the benchmark point score criteria, he or she is automatically accepted for financing.

You Just Download the Data

Many CSI clients electronically download their self-pay accounts weekly, monthly or semi-monthly. CSI handles all of the scoring and lets you know which accounts are acceptable. We can handle thousands of accounts in each batch.

Strong Service Support

With the CSI Patient Plan, you receive the most comprehensive, efficient and effective patient financing program on the market. We designed this program to meet the needs and desires of the healthcare providers we serve.

It Makes Money for You

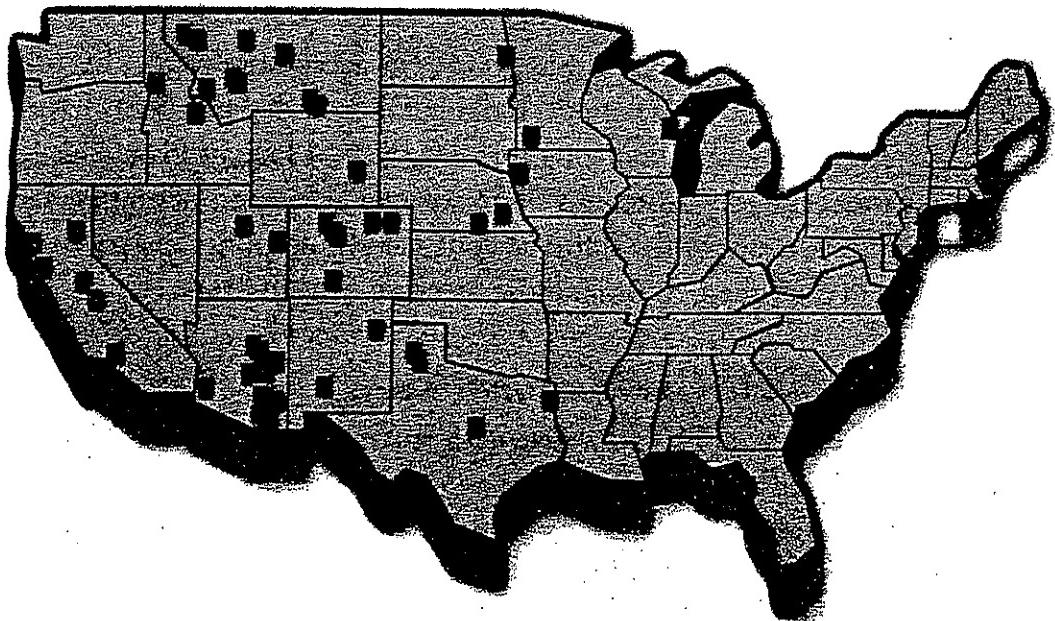
You get to use your cash immediately, meaning you can purchase other revenue-producing equipment or invest the money until you need the cash. You also free up your staff's time. The majority of your accounts can be transferred automatically to our program, allowing your staff additional time to concentrate on other matters.



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Meet Our Satisfied Customers



**More than 50 hospitals and medical facilities use our Patient Plan to improve cash flow and ease administrative chores.
Here are just a few of them.**

All-Saints Health Systems, Fort Worth, TX	Chandler Regional Hospital, Chandler, AZ	North Valley Hospital, Whitefish, MT
Altru Health Systems, Grand Forks, ND	El Camino Hospital, Mountain View, CA	Saddleback Memorial Hospital, Laguna Hills, CA
Baptist St. Anthony's, Amarillo, TX	Kalispell Regional Hospital, Kalispell, MT	St. Vincent Hospital, Billings, MT
Bryan Memorial Hospital, Lincoln, NE	Mary Lanning Memorial Hospital, Hastings, NE	St. Joseph's Regional Medical Center, Lewiston, ID
Carondelet St. Mary's, Tucson, AZ	McKee Medical Center, Loveland, CO	Tucson Medical Center, Tucson, AZ
Central Montana Medical Center, Lewistown, MT	North Colorado Medical Center, Greeley, CO	

Call us for the names and telephone numbers at these locations

Interested? Contact CSI At:

CSI Financial Inc.

P.O. Box 182

Helena, MT 59624

(406) 442-4475 or (800) 775-1474 FAX (406) 442-2524

E-mail csifin@aol.com

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